

NEWS FLASH
AUGUST 29, 2006

Retirement News for Employers

Helping Business Owners with Retirement Plans

Internal Revenue Service Tax Exempt and Government Entities

Delay in Effective Date for Regulations Under Section 403(b)

The Internal Revenue Service [announced](#) today that the general effective date for the [regulations](#) regarding section 403(b) arrangements that were proposed in 2004 (including the related controlled group regulations under section 414(c)) will be extended.

In order to provide employers, employees, insurance carriers, and mutual funds involved in section 403(b) arrangements a reasonable advance period before the regulations go into effect, the final regulations generally will not be effective earlier than January 1, 2008.

Correction

In "The Fix Is In" article on Participant Loans featured in the [Summer 2006 edition](#) of the *Retirement News for Employers*, we stated, "Both the dollar limit and the repayment period may be exceeded if the loan is for the purchase of a primary residence." We would like to clarify that only the repayment period can be extended if the loan is for the purchase of a primary residence. The dollar limit cannot be increased. The online version of the newsletter has been corrected. We apologize for any confusion this may have caused.

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